

HORSE RACING INDUSTRY IN CRISIS



Proposed Strategies to Ensure
the Future of Horse Racing

November 19, 2019

TRACK RACING STATISTICS

ALBERTA "A" CIRCUIT THOROUGHBRED RACING STATS

NUMBER OF RACE DAYS	84
NUMBER OF STARTERS	1048

AVERAGE NUMBER OF STARTS PER HORSE - 4.83

NUMBER OF STARTERS THAT RAN 10-13 TIMES IN 2012 - 66 HORSES = 6%
THESE HORSES AVERAGE EARNINGS ARE \$13,000
THE AVERAGE STARTS FOR 2 YEAR OLD THOROUGHBREDS IS 2.6 STARTS / YEAR
THE AVERAGE START FOR OLDER HORSES IS 6.7 TIMES /YEAR
THE AVERAGE RACE LIFE FOR THOROUGHBREDS IS 3.5 YEARS

PURSE EARNING PERCENTAGES

\$100,000 - \$300,000	2	HORSES	0.19%
\$50,000 - \$99,999	16	HORSES	1.52%
\$40,000 - \$49,999	10	HORSES	0.95%
\$30,000 - \$39,999	20	HORSES	1.90%
\$20,000 - \$29,999	56	HORSES	5.34%
\$15,000 - \$19,999	57	HORSES	5.43%
\$10,000 - \$14,999	110	HORSES	10.49%
\$5,000 - \$9,999	202	HORSES	19.27%
\$0 - \$4,999	575	HORSES	54.85%

EST. COST TO TRAIN A THOROUGHBRED FOR ONE YEAR

TRAINING (\$60/DAY x 9 MONTHS (270 DAYS))	\$16,200
BOARDING (\$14/DAY x 3 MONTHS (90 DAYS))	\$1,260
VETERINARIAN (estimated)	\$1,000
SHOEING & MISCELLANEOUS (estimated)	\$1,000
TOTAL COST PER YEAR	\$19,460

74% OF STARTERS DO NOT EARN THEIR COST OF TRAINING

The stats hold true for most of the tracks in Western North America.

Alberta Horse racing has been struggling for many years and is on a steady decline.



Shortage of Horses at Entry Time (SOLUTION)

1. Rewrite the traditional condition book and expand entry categories
2. Limit field size to 10 starters (this leaves over-filled races to move horses into different races and is fairer to the outside horse)
3. Change purse structure, split and pay a fair running fee for horses running 4th to 10th, as no one wants to run if they think they are going to lose money
Example: Purse \$20,000 - Winner - \$7,000, 2nd - \$4,000, 3rd - \$2,000, 4th - \$1,000, 5th - \$1,000, 6th - \$1,000, 7th - \$1,000, 8th - \$1,000, 9th - \$1,000, 10th - \$1,000
4. Majority of owners are losing money and we do not take care of the losers; there will be no one to run against the winners

Horsemen getting older and there not many new young people taking their place

Horse breakdowns (SOLUTION)

1. Ban all pain killer drugs given to horses during training, and all pre-race stimulants
2. Weightless training to keep horses sound
3. All tracks have all-weather safe surfaces

Breeding Industry

1. Foal crop numbers and thoroughbred yearly sale average down over 50%

Stabling and Backstretch Conditions (SOLUTION)

1. Affordable and modern lodging with plumbing for horsemen stabling
2. 12'x12' box stalls with open airy fronts
3. Lots of turn out paddocks, large walkers, sanitary manure dumpsters

Fans Wagering At All Time Low (SOLUTION)

1. Promotional advertising to increase fan support and betting handle
2. Modernize the wagering, making them more entertaining
3. Standardize colours of silks and saddle cloths across North America for the betterment of the fan
4. Suggested events at track (eg.) poker room, sports betting at track, live entertainment, dancing, musicals, trade shows, farmers market, artisan fairs, bingo, etc.
5. RV parking for tourists and horsemen

Robert Allen

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RACE FANS

The fans are the most important part of horse racing, and without them the industry would not exist. We are losing fans at an extremely high rate and I believe this is caused by how we present our product. The time between races is too long and programs are difficult to learn for a new fan. Slot machines are simple, put your money in and press the button.

Over 75% of wagering is bet off-track and to compete with sports bet and casinos the track must make it financially easy for the patron to get seated and enjoy an entertaining show live or simulcasting. Here are a few ideas to help boost race attendance:

1. Free parking, programs and grandstand entry to the main floor
2. Odds board TV at paddock and music in grandstand
3. More live tellers showing new fans how to place wagers
4. Daily food specials (ie. all day breakfast, \$9.95 prime rib dinner, etc.)
5. Add new guaranteed betting pools (ie. PENTAFECTA, PICK 10, etc.), pick horses in order of finish. These pools carry over every race and the funds do not sit idle for 3 to 6 races. These guaranteed pools draw lottery players and they can handicap their numbers instead of drawing them.

The industry needs a simpler program for beginners. A new fan is lost when he/she tries to read the program. Alberta Downs has rewritten a sample program page for thoroughbred or harness that is easier to read and understand. All programs should be free.

1 SMALL N BIG bay mare 5yr (may) Sire-Gilded Time; out of Kala M Claim \$20,000 NW of 2 in 2019
 RACE RECORD **2013** - 7-0-3-5 = **\$25,678** **2012** - 5-0-4-1 = **\$15,406** **LIFE** - 13-0-8-6 = **\$40,755**
 JOCKEY-N SMITH, 118lb, 131-17-16-10.13% | TRAINER-Robert Allen 95-15-9.16% | OWNER-Alberta Downs Inc. - 70-12-9-15-20%

DATE	TRACK	COND.	DIST.	SURF.	CLAIM	Post	¼	½	¾	1M	FIN.	SPEED	JOCK/DR	WT
May 2019	NP	FAST	1M	TURF	\$5000	4	(23.4)1st	(47.2)3rd	(1.12)3rd	(1.37)	2nd	69	N.SMITH	118
July 2019	GG	FAST	1M	TURF	\$5000	4	(23.4)1st	(47.2)3rd	(1.12)3rd	(1.37)	2nd	69	N.SMITH	118
May 2019	NP	FAST	1M	TURF	\$5000	4	(23.4)1st	(47.2)3rd	(1.12)3rd	(1.37)	2nd	69	N.SMITH	118

Works April 20/19 S.FUR 37.4



RACE SILKS & SADDLE BLANKET COLOURS



It is very confusing to the fan to have different color silks and blanket numbers for the thoroughbreds and harness. A universal color system should be implemented. The color of the silks only benefits owners; it does nothing to help the fans following their horses in a race. If the silks and numbers were assigned regular colors it would be easier for a fan to identify the horse they are wagering on. **The silk colors should be the same for both breeds.**



SIMULCAST WAGERING

An excerpt from an article written by Mike Welsch, HALLANDALE BEACH, FLA. The article shows that large handles are not always wagered on track.

“Gulfstream park began its inaugural summer meeting Monday amidst an air of uncertainty but racing there was welcomed back with enthusiasm by local fans and simulcast players around the country. According to the track, all-sources handle for the eight-race card totaled \$2,493,688 of which \$156,660 was wagered on track.”

OFF TRACK BETTING

We believe that the off track betting system desperately needs to be steam lined using modern technology. Simulcast wagering can be a major contributor of revenue to the industry. The existing are not cost efficient and the atmosphere does not give a new fan incentive to visit one. All other professional sports have music, narration, information and promotions to keep the fans interested. Almost all the rural OTB's are losing money.

OTB SITES

The following is a SIMULCAST PLAN to reduce expenses, produce an entertaining show, add OTB sites to Alberta and increase handle. Alberta Downs has developed a program for OTBs using less decoders per site and organizes the race schedule in a sensible manner. The equipment consists of three decoders *2 channels each,) one computer, internet line, 3 TVs, odds channel and self serve kiosk.

Each kiosk can;

- 1.Take cash, debit and credit cards
- 2.Take multiple bets
- 3.Cancel tickets
- 4.Print programs
- 5.Open wagering accounts
- 6.Results and changes
- 7.Cash out to nearest dollar
(pay vouchers on cents)
- 8.Check account balance
- 9.Odds on tack



HOW IT WORKS

One TV broadcasts odds and each track moves up automatically as they run and a new race appears on the bottom line

Second TV automatically switches channel to live races with sound two minutes before post time and stays live until payouts are official. If two races run at the same time, TV #1 will show one race and TV #2 will show the other race. **More tracks can be shown by adding TV's.**

UPCOMING RACES			April 27 11:07 MST 12:07 CST 1:07 EST			HORSE NO. & ODDS								
TRACK NAME	RACE	MTP	1	2	3	4	5	6	7	8	9	10	11	12
FLAMBORO	7	8	4	2	17	9/2	2	23	8	17	12	SCR		
BALMORAL EVE	1	12	5	7	9/5	8	5	8	SCR	6	49	17		
REMINGTON PARK	11	14	23	6/5	10	10	9/2	9	15	8	13	20		
HOLLYWOOD	9	15	SCR	SCR	27	13	3	5	9	51	59	11	9/2	99
MOUNTAINEER	4	21	12	15	5/2	8/5	5	7/2	12					
HASTINGS	8	23	5/2	15	8	6	20	4	9/2	SCR	6			

RESULTS	PLACE	PGM	WIN	PLACE	SHOW	WAGER	PAYOUT	WAGER	PAYOUT	WAGER	PAYOUT
FLAMBORO RACE: 6	1	9	\$3.20	\$2.00	\$1.65	Exactor	\$13.45	Pick 3	\$0.00	Pick 10	\$0.00
	2	7		\$1.65	\$1.95	Quinella	\$0.00	Pick 4	\$0.00	Lotto 5	\$0.00
	3	2			\$2.10	Trifactor	\$152.15	Pick 5	\$0.00		\$0.00
	4	8				Superfecta	\$1477.75	Pick 6	\$0.00		\$0.00

AlbertaDowns.com Info **Another Lotto 5 Winner at Vicky's Bar \$60,760**

1. name of tracks
2. race number
3. minutes to post
4. live odds
5. saddle cloth colour
6. time of day in zone
7. results
8. scratches and changes



TAKES LESS SPACE AND RACE HAS LIVE SOUND MAKING IT MORE ENTERTAINING FOR THE FANS

RACE OFFICE (ENTRIES)

There must be a new way to enter Thoroughbreds to fill races. Many conditions that are written only get 5 entries or less and are usually called off. There is not an owner in the world that wants to see their horses standing in the barn while paying \$60 to \$100 per day training. We are not only losing owners, which leads to breeds taking a hit at the sales. A handicap system such as inside post position for lesser claiming price, added weights to better horses and put horses together with equal work times, etc etc. This will give horses a chance to run that don't fit into regular condition races.

The standard bred industry are very aggressive and at the present time fill between 10 and 13 races per day with a 700 horse inventory. At present in Alberta Standard bred average 25 to 35 starts per year. Thoroughbreds average 4.83 starts per year with a 1200 more horse inventory. I think that a lot of work should be done by rewriting conditions so thoroughbreds could get more starts making it economical for someone to own one.

Standard bred horses papers are filed electronically. No matter where the horse runs, the papers are available. Thoroughbred industry does not have this system in place and still carry hard copies of their papers with them to each track taking a big risk of being lost or stolen. Each horse loses his race date if papers are taken out of the office.



TRACK METHODS TO INCREASE FIELD SIZE

1. For every winner, there has to be a loser and the track must make losing owners solvent so they do not quit. By reducing the top 3 purse payouts, it would give the remaining horses a fair guaranteed starter fee in the fields up to 10. This gives the owners a chance to run their horses more frequently and can then afford to pay the training bill.
2. Tracks purchase a number of horses to help fill races; Lease to new owners and trainers.
3. Change the way of entry. Instead of a condition book (excluding stakes) have many conditions per race day. The trainer then enters a race with two alternate conditions or race dates through e-mail or text. This gives the racing secretary a large inventory of entries to make a full field card. (Guaranteed pools must have 8 starters or more per race.) **CONDITIONS WILL SUIT THE INVENTORY ON THE GROUNDS.**
4. Horses with stalls must run every 10 to 20 days.

TRACK SURFACE

There is nothing worse for an owner than training a horse for 3 – 4 months then having it break down. The ultimate track surface at Golden Gate Fields, is TAPETA and is very easy on horses with almost 0% break downs. It is built with a base of drainpipes covered by washed gravel with 1 ½ inch of asphalt chips as the main sub surface. The top surface is made up of shredded rubber, plastics, fiber and wax. This can be run on in any condition and does not have to be watered.



When trout springs was running, we used sawdust (almost like tapeta) to race and train on with very good results. We raced and training on it all year round. It is also extremely cost effective and provided fast times. The leading percentage trainer in the world, Robertino Diodoro, started his training with me and ran on our track for years.

Many years of experience in all weather surfaces, Alberta Downs has built two tracks and raced on them for the past 35 years without any breakdowns, the material we use creates a cushion that takes the jar out of the horse's legs and the hooves turn over easier.

Our track surface produces fast times with no dust or dirt lumps. The material used is aged sawdust and the only track equipment needed is a water truck and chain link fence drag, This leave a flat surface with no harrow groves. The sawdust can be laid over a clay base that must be a flat surface. It can be done very fast and very cheap.

Traditional Track Base



4 - 5" of Course Sandy Clay Mixture

Gumbo Clay Sub-base

TRADITIONAL TRACKS

Muddy tracks are a jockey's and trainers nightmare. It takes a toll on horses, horse personnel and the race handicappers.

TRADITIONAL THOROUGHBRED TRACK SURFACES

Typically, tracks are constructed on a gumbo clay base with a four to five inch surface of a mixture of sand and clay. These tracks lose their cushion and base under severe conditions. The surface is always uneven as a result of harrow lines, tractor tire tracks, uneven grading, heavy training activity, etc.

When a horse's hooves impact the surface of these tracks, they usually break through the sand surface hitting the clay base resulting in a severe impact. We believe this to be a contributing factor for the increase of bone chip and bow tendon injuries. Additionally, the uneven track surface can cause severe strains on the horse's leg muscles.

ALBERTA STATISTICS:

1. The average starts for 2 year old thoroughbreds is 2.6 starts per year.
2. The average start for older horses is 6.7 times per year.
3. The average race life for thoroughbreds is 3.5 years.

Poor track surfaces have caused many horses to become sore during the racing season which shows up in short fields in the entry box. On an all weather surface track the number of starts per horse and their race life can be increased substantially.



TB Track Surface

Safety Track Base



SAWDUST TRACKS

1. The racing surface is 2" in depth with a mixture of 80% sawdust and 20% sand. When a horse impacts this surface, it acts like a cork. When pressure is applied it absorbs the energy without breaking away. This takes most of the jarring motion out of the joints and tendons. The hooves do not sink into the surface and turn over faster resulting in fewer breakdowns.
2. **SECOND LAYER** (6" depth) - This material is made up of very fine grain sand and approx. 10% clay mixture which stays firm in all conditions yet allows excess water to pass through to the lower gravel base.
3. **THIRD LAYER** (3" depth) - This is comprised of 3/4" crushed gravel and is used to cover the courser gravel in the fourth layer. This gravel is to insure that the track stays completely level in all conditions.
4. **FOURTH LAYER** (1 foot depth) - This consists of 3" minus pit run that is laid over the contoured clay base of the track. This allows water from the top to pass out through the sides of the track into a drainage ditch.

This system will never lose its base or heave in any conditions. The sawdust surface always stays smooth and can be raced or trained twelve months of the year.

The sawdust also has the remarkable quality, in warm weather, when kept moist, to bind together to create superb cushion. In winter months, in dry conditions, it never freezes together and the cushion stays the same as in summer.



SAWDUST TRACKS

Sawdust tracks never get muddy and the race times reflect that. This helps the betting public handicap their horses with more consistency. This track is very safe under extreme wet freezing conditions.

BEAUTIFUL WORLD CLASS TAPETA ALL-WEATHER RACE TRACK



GOLDEN GATE FIELDS



EXTREMELY SAFE TAPETA ALL-WEATHER SURFACE

TROUT SPRINGS RACE TRACK, CALGARY, ALBERTA



ALL-WEATHER SAFETY TRACK



SAWDUST RING READY FOR WINTER TRAINING



WINTER AND SUMMER TRAINING



SAWDUST SURFACE NEVER FREEZES



ALL SEASONS SURFACE

ALBERTA DOWNS TURF TRACK



ALL-WEATHER SAWDUST TRACK

OUR TURF TRACK WAS SODDED WITH KENTUCKY TURF GRASS AND RED FESCUE. THIS MIXTURE REDUCES DIVETS BY 90%.

BOTH BREEDS CAN RUN ON THIS SAWDUST SURFACE



NORTHERN CENTRA

TROUT SPRINGS, CALGARY, JULY 27, 1992, VICKY RIX UP
 INDUS COUNTRY (2ND) a5 FUR. :55:2 PALACE DUSTER (3RD)
 BILL ALLEN, OWNER & TRAINER 6.60 2.90 2.20
 PURSE \$1000.00



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CAMERON COLOR



BERMATA SAM

****THE CHARIOT EXPRESS FEATURE****
 TROUT SPRINGS, CALGARY, JULY 17, 1993, PAT BARR DRIVER
 THE BRAKEMAN (2ND) 3/4 MILE PACE 1:30:1 HIGHLAND CLOVER (3RD)
 L.M.N. FARMS, OWNER MAX JORGENSEN, TRAINER
 PURSE \$1800.00 4.20 3.80 3.00



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ROBERTINO DIODORO'S FIRST RACE HORSE AT TROUT SPRINGS



MANCHU PRINCE



****THE ALLEN'S TROUT FARM FEATURE****
TROUT SPRINGS, CALGARY, JULY 27, 1993, ANDY SCARLETT UP
BIG FIGURES (2ND) 1 MILE 1:41:2 SPEED AGAIN (3RD)
E. BRAUN, S & L DIODORO, OWNERS ROBERTINO DIODORO, TRAINER
PURSE \$2000.00 6.50 4,10 3.00

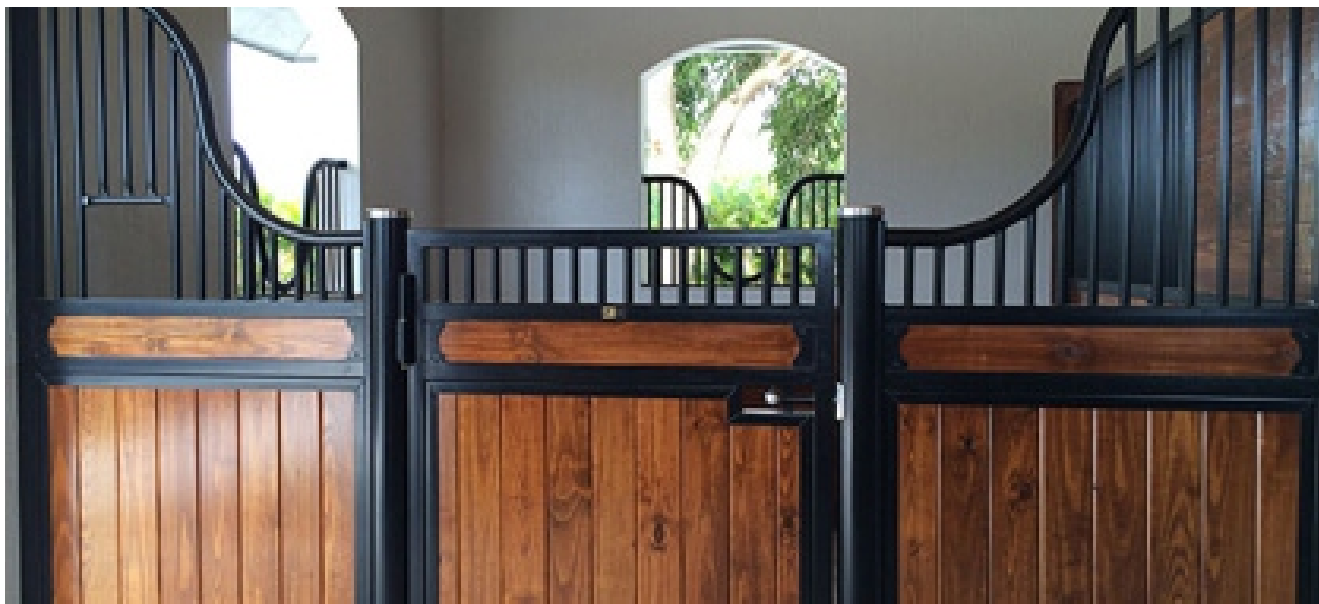


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ALL WEATHER TRACK

HOUSING & TRAINING FACILITIES



Airy, wide open large box stalls



Turn out paddocks for race horses



Large circumference hot walkers

TRACK AMENITIES



Affordable housing for horsemen and tourists



Most grandstands have large capacities for events



Electric car hook-ups to reduce fuel consumption to and from the track

WEIGHTLESS TRAINING



USING THIS SYSTEM, A TRAINER CAN JOG, GALLOP OR WORK A HORSE STRAIGHT TO EXTEND THE RACING LIFE OF THE HORSE KEEPING IT SOUND AND FIT

With many years of experience in all weather surfaces, I have built two tracks and raced on them for the past 35 years without a major breakdown. The material we use creates a cushion that takes the jar out of the horse's legs and the hooves turn over easier. Our rack surface produces fast times with no dust or dirt lumps. The material used is aged sawdust (mix 20% coarse sand and 80% sawdust) and the only track equipment needed is a water truck and chain link fence drag. This leaves a flat surface with no harrow groves. The sawdust can be laid over a clay base that must be a flat surface. It can be done very fast and cheap. Racing needs to eliminate racing 2 year olds, or use weightless training to eliminate bucked shins.

SOUR HORSES

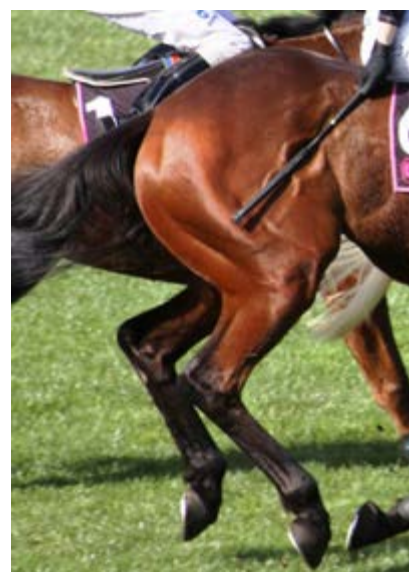
A horse that runs on pain killers cannot feel the pain. That is when the damage is done and usually never repairable. It can be covered up, but will never heal without rest. New research must done on different methods to healing from the inside, not the outside, ***such as stem cell treatments.***

WEIGHTLESS TRAINING



TEACHING RACE HORSES HOW TO RUN AND WANT TO WIN

Most horse owners love their horse and care for them, but it's a different story in a race. I am sure every horse is confused when they are out on the track. The rider starts whipping the hell out them and waves a stick in front of their face. They all get sour and soon really do not want run. Other methods should be used to make a horse respond when you want them to move up in a race, so they do think there going to get hurt.



CLICKER TRAINING

A PITCH FOR A MODERN HORSE RACING INDUSTRY

Sent to us by a professional dressage lady horse trainer

Horse racing is sometimes known as the sport of kings. There are many possible reasons for this assessment. Not the least of which was that only the wealthy could consistently enjoy and maintain its passionate pursuit.

The royal monarchies of old, also enjoyed a ruling subjugation of their subjects and livestock alike. Contests of racing and horsemanship were means of demonstrating power, and superiority over commoners or their rivals. However, monarchies have adapted to modern circumstances, whereby literacy, leadership and intellect now set the upper crust apart. Physical power and brutal force have fallen out of popularity as a means to control both man or beast. In fact, it may even be considered 'weak' and 'inferior' by today's standards.

Horse racing has not adapted. It remains in the dark ages. As a crowd drawing spectacle it is failing miserably. Other equine focused shows have continued to flourish. However, modern showjumping continues to grow in spectators and sponsors. Even Cirque du Soleil inspired "Cavalia" and "Odysseo" were hits mesmerizing 8 million spectators in limited runs in major cities. They share a common love and even reverence for the willing cooperation of the star equines to perform ever spectacular feats of obedience and training. All of this is done without force or coercion. The shows are marketed and billed as the animals being "willing" partners, even seeming to enjoy their participation. This fact **needs to be a beacon for modern racing, or it will die.**

One would have to be completely uninformed to not be aware of the increasing negative publicity when accidents occur or when horses are harmed. There is an increasingly louder cacophony of opinions calling for reform, but there is much disagreement about how to proceed. Everywhere fingers are pointing to blame for the conundrum. "It's the veterinarians fault". "It's the owners, the trainers, the racing officials". There's no shortage of blame to go around. **A paradigm shift is needed.** It will take a concerted effort to change, to be sure, but the first changes will be the hardest, most scrutinized and criticized. However, the change must occur.

The first requirement would be to **ban whips.** There is no place in racing for whips, whipping horses, or people who whip horses be they owners, trainers, jockeys or anyone. Can you imagine a congress or parliament deciding a contested issue by employing whips? No! **More sophistication is needed.** Finesse is needed. More skill, more social and political acumen; in short, more leadership. True, some will be absolutely confounded with having to re-tool a training program for a thousand pound thoroughbred that doesn't include whipping.

A PITCH FOR A MODERN HORSE RACING INDUSTRY

However, **it can be done**. Many theorists, and schools of thought already exist. Whereby they employ portions of modern animal behavioral psychology and/or the early works of B. F. Skinner, American psychologist. The work by Skinner in **operant conditioning** has informed and inspired Shawna Karrasch best known as the author of "You can train your horse to do anything". She worked at San Diego Sea World for 10 years using the concepts of positive reinforcement, or **clicker training** the killer whales before literally making the 'jump' to showjumping. With this style of training, the animal actually enjoys performing, because it wants to. Whilst these ideas may be considered radical by some, they are commonplace and the norm in other animal-based industries. Perhaps, a radical pro-animal welfare stance is what it will take to appease the modern spectator and draw the crowds back to racing.

Along this same line, a second radical change racing needs is to **eliminate racing 2 year olds**. Young animals can be likened to young children. They are still growing and not work hardened. Prior to the industrial revolution, when ruling families ran Europe, child-labor in factories was common and accepted. Grassroots labor groups pushed for humane conditions at work. Minimum working age requirements were phased in for the safety of the children, and for everyone. By allowing horses to develop naturally in the field and investing in the training of the horse's mind and body a lot of the exploitative parts of racing will be weeded out. No more fields of indiscriminate breeding to locate the one horse above all others over millions. No more race to get that animal flogged around the track for winnings. Racing will experience a second renaissance where **the art and science of developing and training the willing equine athlete** will be furthered. It will require that the animals are invested in with time and energy. New school training and trainers required to train the new trainers, and jockeys and enthusiasts. A new economy will be created. **Innovation will be spurred**. Perhaps a phased raising of the minimum age could be considered. The ultimate outcome is for fewer injuries to horses or jockeys in spectacular breakdowns, fewer animal welfare concern scandals, and longer and better quality of life for the horses.

Thank you for taking the time to thoughtfully consider these concepts. I sincerely hope that those involved in the horse racing industry will see their value and contemplate leading a modern era of horse racing as opposed to chasing the minimum standard of those more visionary.



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